



15 Tips to Help Your Business Weather a Recession

Is your business ready for a recession?


An economic downturn is always a possibility. As the saying goes, an ounce of prevention is worth a pound of cure, no matter how strong your business appears to be at this moment. **Here are 15 ways to be prepared for hard times.**




1 Cash
Build a war chest. Cash means everything during a recession. Do whatever it takes to maintain a positive cash flow.



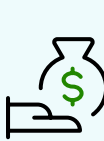
2 Community Engagement
Partner with local groups for events and fundraisers to build your profile and attract customers.




3 Customer Retention
Implement loyalty programs. Serve customers beyond expectations. Stay in touch frequently and regularly.




4 Debt
Whittle down your debt now. The less debt you carry into a recession, the better you'll be in the long run.




5 Financing
Make sure you have access to a bank line of credit. If you're using it, make payments in full and on time.




6 Inventory Management
Keep inventory levels low, unless you foresee shortages. Remove dead items ASAP by discounting or donating.




7 Local Partnerships
Team up with other businesses or organizations to service new markets.



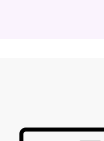
8 New Business
Use advertising, marketing, and sales to keep the pipeline full of prospects and drive momentum going into challenging times.



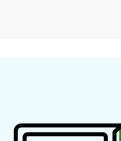
9 New Revenue Streams
Develop new products, services, and markets to help expand revenue streams and minimize lost income risks.




10 Overhead
Cut or eliminate unnecessary expenses NOW. Always run lean and mean.




11 Payables
Negotiate extended terms and/or discounts for early payment.




12 Receivables
Keep accounts current, no matter what it takes.



13 Space
Look for ways to reduce office, warehouse, and manufacturing space. Can your staff work from home?



14 Staffing
Hire competent, highly-productive people to handle all your necessary business functions.



15 Vendors
Build strong relationships with vendors to avoid shortages and ease invoicing options.

During the 2007 - 2009 Great Recession, the number of small business jobs fell **39% faster** than at larger companies and the failure rate of very small businesses (< 5 employees) **jumped 500%**.

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